

May 8, 1997

Mr. Bruce D. Kenyon
President and Chief Executive Officer
Northeast Nuclear Energy Company
P. O. Box 128
Waterford, Connecticut 06385-0128

SUBJECT: NRC MAINTENANCE RULE TEAM INSPECTION REPORT NO. 50-245, 336
AND 423/97-80 AND NOTICE OF VIOLATION

Dear Mr. Kenyon:

This refers to the team inspection conducted on March 17-21, 1997, at the Millstone station. The purpose of the inspection was to review the implementation of the maintenance rule program for Unit 3 and conduct a limited review of Units 1 and 2. The enclosed report presents the results of this inspection.

Your maintenance rule program for Unit 3 met the requirements of the maintenance rule and had a number of strengths. The effective use of PRA and the active participation of the PRA group enabled a strong program. Your program for safety assessments when taking equipment out of service for maintenance was strong. Your use of system engineers and the use of the maintenance rule system basis documents by the system engineers were program strengths. //

Those inspectors who had reviewed scoping at Unit 3 in November 1996 and inspected the full maintenance rule program on this team found noteworthy progress in correcting identified concerns and a considerable improvement in the thoroughness of your program. Iev)

We identified violations associated with scoping for Units 2 and 3. We note that some of these systems and functions were identified by your staff. The violations are cited in the enclosed Notice of Violation, and the circumstances surrounding the violations are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice of Violation when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

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Mr. Bruce D. Kenyon

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Sincerely,

ORIGINAL SIGNED BY:

James T. Wiggins, Director
Division of Reactor Safety

Docket Nos. 50-245, 50-336 and 50-423

Enclosures:

1. Notice of Violation
2. NRC Inspection Report Nos. 50-245, 50-336 & 50-423/97-80

cc w/encls:

N. S. Carns, Senior Vice President and Chief Nuclear Officer
P. Loftus, Director - Regulatory Affairs for Millstone Station
M. H. Brothers, Vice President - Millstone, Unit 3
J. McElwain, Unit 1 Recovery Officer
M. Bowling, Jr., Unit 2 Recovery Officer
D. M. Goebel, Vice President, Nuclear Oversight
J. K. Thayer, Recovery Officer, Nuclear Engineering and Support
P. D. Hinnenkamp, Director, Unit Operations
F. C. Rothen, Vice President, Work Services
J. Stankiewicz, Training Recovery Manager
R. Johannes, Director - Nuclear Training
L. M. Cuoco, Esquire
J. R. Egan, Esquire
V. Juliano, Waterford Library
J. Buckingham, Department of Public Utility Control
S. B. Comley, We The People
State of Connecticut SLO Designee
D. Katz, Citizens Awareness Network (CAN)
R. Bassilakis, CAN
J. M. Block, Attorney, CAN
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E. Woollacott, Co-Chairman, NEAC

Mr. Bruce D. Kenyon

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Jm*

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